

MILK PRICING NEWSLETTER

Dairy Marketing Branch, CDFA

August 2000

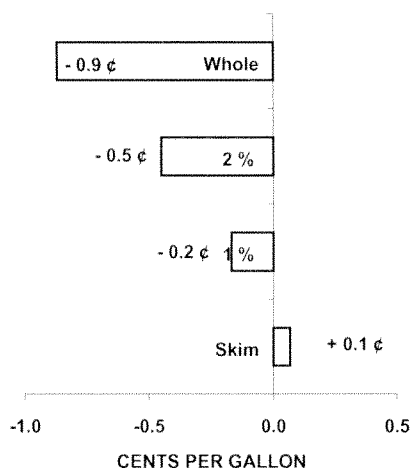
California Department of Food and Agriculture

William (Bill) Lyons Jr. Secretary

Undersecretary (vacant), Robert "Tad" Bell, Deputy Secretary, Chris M. Wagaman, Deputy Secretary, Daniel E. Webb, Deputy Secretary, Vanessa Arellano, Assistant Secretary

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PRICE CHANGES



ANNOUNCEMENT OF MINIMUM FARM PRICES FOR MILK FOR AUGUST 2000

This month whole milk prices decreased 0.9 cents on a gallon basis reflecting a sharp decrease in butter prices. However, because other fluid milks contain less fat, their price decreases were considerable less (see graph at left). In the case of skim milk, a small increase in non-fat dry milk prices resulted in an increase of 0.1 cent per gallon.

Minimum Farm Prices for Various Fluid Milks by Container Size for September 2000

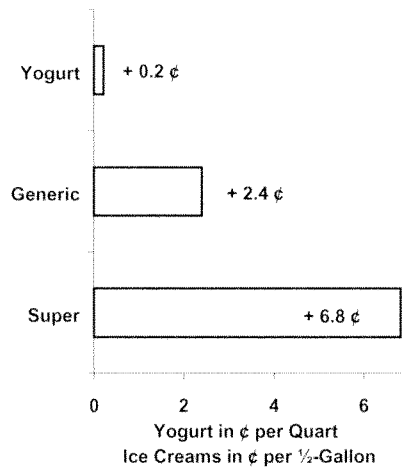
	gallon	1/2 gallon	quart	pint	1/3 quart	1/2 pint
Northern California						
Whole Milk	\$1.189	\$0.595	\$0.297	\$0.149	\$0.099	\$0.074
Reduced Fat (2%)	\$1.122	\$0.561	\$0.281	\$0.140	\$0.094	\$0.070
Lowfat (1%)	\$1.087	\$0.544	\$0.272	\$0.136	\$0.091	\$0.068
Nonfat (Skim)	\$0.841	\$0.420	\$0.210	\$0.105	\$0.070	\$0.053
Southern California						
Whole Milk	\$1.213	\$0.606	\$0.303	\$0.152	\$0.101	\$0.076
Reduced Fat (2%)	\$1.146	\$0.573	\$0.286	\$0.143	\$0.095	\$0.072
Lowfat (1%)	\$1.111	\$0.556	\$0.278	\$0.139	\$0.093	\$0.070
Nonfat (Skim)	\$0.865	\$0.433	\$0.216	\$0.108	\$0.072	\$0.054

Price Changes from August 2000 Pricing Period

	gallon	1/2 gallon	quart	pint	1/3 quart	1/2 pint
Whole Milk	\$0.009-	\$0.004-	\$0.002-	\$0.001-	\$0.001-	\$0.001-
Reduced Fat (2%)	\$0.005-	\$0.002-	\$0.001-	\$0.001-	\$0.000	\$0.000
Lowfat (1%)	\$0.002-	\$0.001-	\$0.000	\$0.000	\$0.000	\$0.000
Nonfat (Skim)	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

Minimum Farm Prices for the Milk Component in Manufactured Dairy Products

PRICE INCREASES



1/ Southern California yogurt and ice cream milk product prices may be up to 1 cent more.

2/ Yogurt and ice cream prices change every second month.

California Milk Component Farm Prices^{1/}

	Lowfat yogurt (\$/quart)	Super- premium ice cream (\$/1/2 gal)	Generic ice cream (\$/1/2 gal)	Butter grade AA (\$/lb)	Cheese (\$/lb)
May'00	\$0.22	\$1.09	\$0.43	\$1.06	\$0.91
June	\$0.23	\$1.23	\$0.48	\$1.13	\$0.99
July	\$0.23	\$1.23	\$0.48	\$1.04	\$1.06
August	\$0.23	\$1.30	\$0.51		
September	\$0.23	\$1.30	\$0.51		

Price Change from the Prior Pricing Period^{2/}

May	-----	-----	-----	\$0.13	\$0.03
June	\$0.01	\$0.14	\$0.05	\$0.07	\$0.08
July	-----	-----	-----	\$0.09-	\$0.07
August	\$0.00	\$0.07	\$0.03		
September	-----	-----	-----		